Department of Justice

United States Attorney Benjamin B. Wagner
Eastern District of California

FOR IMMEDIATE RELEASE
Wednesday, July 6, 2011
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Docket #: 2:08-cr-0329 JAM

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STOCKTON FARMER SENTENCED TO 2.5 YEARS IN PRISON FOR CROP INSURANCE FRAUD

SACRAMENTO, Calif. — United States Attorney Benjamin B. Wagner announced that today United States District Judge John A. Mendez sentenced Gregory Peter Torlai, Jr., 49, of Stockton, to two and a half years in prison, three years of supervised release, and a $10,000 fine for filing false claims for crop insurance benefits. Torlai was also ordered to pay $211,516 in restitution.

On February 10, 2011, after an 11-day trial, a federal jury found Torlai guilty of 16 counts of submitting fraudulent statements in insurance applications for crops in San Joaquin, Contra Costa, and Lassen Counties.

In sentencing Torlai, Judge Mendez said that the sentence was designed to "send a message to others who are thinking of committing similar crimes." In response to Torlai's arguments that he should receive a significantly reduced sentence of only one year and one day because, in part, he had agreed to pay a fine to the United States, Judge Mendez told the defendant that a lengthier prison term was necessary because his sentence should cost him "not just financially."

According to evidence presented in trial, between 2000 and 2005, Torlai filed claims for crop insurance benefits totaling approximately $340,000 and made false statements about the extent of his ownership interest in various farming operations and the types and number of acres of crops planted. He even submitted falsified seed receipts in support of his insurance claims. The false statements affected policies issued by reinsurance companies with which the Federal Crop Insurance Corporation (FCIC) contracts.

The FCIC is an agency of the USDA created by the Federal Crop Insurance Act (FCIA) for the purpose of providing government insurance against unavoidable crop losses. As a result of his false claims, Torlai received nearly $141,000 in crop insurance payments to which he was not entitled. He also filed fraudulent claims in an attempt to receive approximately $200,000 more in fraudulent crop insurance payments.

This case was the product of an extensive investigation by the United States Department of Agriculture, Office of the Inspector General, the USDA Risk Management Agency–Special Investigations Branch, and the Office of Strategic Data Acquisition & Analysis. Assistant United States Attorneys Kyle Reardon and Michael Anderson prosecuted the case.

# # # #

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IN THE UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

UNITED STATES, Plaintiff, v. GREGORY PETER TORLAI, Defendants.	CASE No. 2:08-CR-0329 JAM **SUPPLEMENTAL SENTENCING MEMORANDUM** Date: Wednesday, July 6, 2011 Time: 10:00 a.m. Court: Hon. John A. Mendez

The United States of America, by and through the undersigned attorneys, respectfully submits this Supplemental Sentencing Memorandum. This memorandum is provided in order to address issues raised during the original sentencing proceeding on June 21, 2011. For the reasons stated in its original sentencing memorandum, the United States continues to recommend a sentence of 48-months imprisonment, a three-year term of supervised release, a $176,000 fine, and restitution in the amount of $211,516. C.R. 115.

1. Evidence of the Government's Alleged Loss Amount Was Previously Provided to the Defendant in Discovery.

At sentencing, defense counsel stated that the government's loss estimates had not been previously disclosed. This assertion is

false. As demonstrated by the markings affixed to the documents in Attachment A (Supplemental), each of the supporting documents used by the United States to calculate the total indemnity, premium subsidy, and administrative and operating expenses were either introduced as trial exhibits, part of government discovery, defense exhibits, or publically-available documents.[1] There is no new information that the United States seeks to admit through its witness at sentencing.

2. Loss Calculations for Sentencing Purposes Do Not Include Interest.

Pursuant to the sentencing guidelines, loss does not include "interest of any kind[.]" USSG § 2B1.1, Application Note 3(D)(i).[2]

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[1] In addition to being provided in discovery, the documents in Attachment A were provided to defense counsel following the original sentencing hearing on June 21, 2011.

[2] Interest on restitution is permitted. See United States v. Gordon, 393 F.3d 1044, 1059 (9th Cir. 2004); see also United States v. Patty, 992 F.2d 1045, 1050 (10th Cir. 1993). This is true even when the victim is a government agency. See United States v. Smith, 944 F.2d 918, 626 (9th Cir. 1991) (upholding prejudgment interest in the restitution ordered to the Federal Savings and Loan Insurance Corporation); see also Government of Virgin Islands v. Davis, 43 F.3d 41, 47 (3d Cir. 1994)(upholding prejudgment interest in restitution award to United States Attorney's Office). Prejudgment interest as part of a restitution award is permitted because restitution, unlike a fine, is intended to make a victim whole. Gordon, 393 F.3d at 1059 (quoting Patty, 992 F.2d at 1050); see also United States v. Rochester, 898 F.2d 971, 983 (5th Cir. 1990). As such, including interest in a restitution award compensates a victim for their inability to use their money for a "productive purpose." Gordon, 393 F.3d at 1059 (citing Davis, 43 F.3d at 47 (3d Cir. 1994).

The defendant received his indemnity in October 2001. In that month, the prime rate, the interest rate charged to a bank's most credit-worthy customers, was 6 percent. Today, the rate is 3.25 percent. This is the lowest rate between 2001 and 2011. Assuming an interest rate of 3.25 percent compounded annually, the restitution amount would increase to $289,050.

In any event, the defendant has agreed to pay $400,000 to resolve a civil False Claims Act stemming from this case. The United States has no objection to whatever criminal restitution amount is ordered

3. Sentencing Is the Appropriate Forum for Evidence of Loss.

The issue of loss is purely one that affects sentencing in this case. Consequently, the government is not required to present any evidence on the matter at trial. See United States v. Booker, 543 U.S. 220, 233 (2005) (holding that a sentencing court's reliance on judicially-determined facts to enhance a defendant's sentence does not violate the Sixth Amendment when the sentencing judge treats the guidelines as advisory); see also United States v. Lyons, 454 F.3d 968, 973 (9th Cir. 2006). Rather, such evidence may be proven to the applicable standard at the time of sentence. See Fed. R. Crim. P. 32; see also United States v. Jenkins, 633 F.3d 788 (9th Cir. 2010) (analyzing loss calculation based upon evidence presented at a sentencing hearing).

DATED: June 29, 2011

Respectfully Submitted,

BENJAMIN B. WAGNER
United States Attorney

By: */s/ Kyle Reardon*
KYLE REARDON
MICHAEL A. ANDERSON
Assistant U.S. Attorneys

by the Court at sentencing being satisfied through payment of the civil settlement.

ATTACHMENT "A"

Total Actual Damages with Indemnities Paid, Administrative & Operating (A&O) Expenses & Premium Subsidies Included: $211,516

2001 Lassen County - Stoney Creek Ranch: $90,570 (actual)

2001 Contra Costa County - Torlai Farms & Greg Torlai: $99,020 (actual)

2001 San Joaquin County - RBT Farms: $21,926 (actual)

Total Attempted Damages (Cost Avoidance): $198,856

2002 Lassen County - Stoney Creek Ranch: $124,532 (cost avoidance) - total liability on policy - no claim ever signed original acres reported 836.1 - AIP reduced acreage to 185.2)

2005 Lassen County - Stoney Creek Ranch: $74,324 (cost avoidance) - 650 acres originally reported indemnity cost avoidance was based on acres reduced by AIP that were on claim form signed by defendant (485.8) - acres ultimately declared non-insurable. A&O and Premium Subsidy based on the 650.0 acres originally reported.

Total Damages Recap (Actual & Attempted): $410,372

ATTACHMENT A (SUPPLEMENTAL)

2001 Lassen County - Stoney Creek Ranch - CRC Wheat - 75% Coverage Level

Indemnity: $75,177

Premium Subsidy: $11,125

A&O: $4,268

Total Damages: $90,570 (ACTUAL)

Premium Subsidy Calculation (Risk Premium - Producer Premium):

Risk Premium: $20,227

Producer Premium: $9,102

Premium Subsidy: $11,125

A&O Calculation (Risk Premium x A&O Percentage Rate):

Risk Premium: $20,227

A&O Expense Reimbursement Rate CRC 2001 Wheat: 21.1%

Total A&O = $4,268

ATTACHMENT A (SUPPLEMENTAL)

ATTACHMENT A (SUPPLEMENTAL)

Date: 6/30/2004 FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT Page: 2 of 4

Reins. Year: 2001 Producer: [redacted] Reporting Org: IF Tax ID: [redacted] Employee: N
State: CALIFORNIA / 06 Address: [redacted] Comp County: 248 Phone: [redacted] As-Of-Date: 5/29/01
County: [redacted] / 039 Policy Nbr: 0061200

Policy 0061200 Total: Acres: 499.00 Total Guar: 21,357 Liability: 72,827 Loss Ratio: 3.72
Acres Index: 499.00 Prod Cnt: 0 Indemnity: 75,177 Loss Cost Ratio: 1.03
Premium: 20,227

[redacted] / 0010 Ins. Plan: 44 Fund Codes: C Coverage Flags: A
Crop Year: 2001 Acres: 499.00 Total Guar: 21,357 Liability: 72,827 Loss Ratio: 3.72
Acres Index: 499.00 Prod Cnt: 0 Indemnity: 75,177 Loss Cost Ratio: 1.03
Agent ID: 551720227 Premium: 20,227

Acreage

Unit	Typ/Prac	FSN	Rate Class	Map Area	Acres	Yield	Acre Guar	Guar Rat%	Total Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Opt Code	WA Typ	WA Nbr
00105	011/002		000		499.00	57.00	42.80	0.000	21357	1.000	.75	3.41	0.252	72827	9102	20227	12/01/2000	BU		

Claims

Unit	Typ/Prac	FSN	Rate Class	Acres Index	Index Pay	Claim Nbr	Prim Month	Prim COL	Prim %	Sec Month	Sec Col	Product Count	Stage Cd	Loss Adjuster	Insrd Sign Dt	Loss Sign	WA Flg	WA Typ	WA Nbr
00105	011/002		000	499.00	75,177	00009903	04	21	100%	00	0	0.00	UN	564942190					

Land_IDs

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00105	011/002	032-032N-014E									

2001 Contra Costa County - Torlai Farms & Greg Torlai - CRC Wheat 75% Coverage Level

Indemnity: $88,367

Premium Subsidy: $7,699

A&O: $2,954

Total Damages: $99,020 (ACTUAL)

*Premium Subsidy Calculation (Risk Premium - Producer Premium):

Risk Premium: $13,999

Producer Premium: $6,300

Premium Subsidy: $7,699

A&O Calculation (Risk Premium x A&O Percentage Rate):

Risk Premium: $13,999

A&O Expense Reimbursement Rate CRC 2001 Wheat: 21.1%

Total A&O = $2,954

*Premium Subsidy Calculation had to be based off of the 423.6 acres instead of the 543.0 acres actually indemnified because Greg Torlai was never charged premium for the 119.4 acres on the "ghost policy" generated by AmAg due to the transfer of right to indemnity.

Date: 3/10/2010 **FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT** Page: 1 of 1

"Warning this document contains Personally Identifiable Information (PII)"

Reins. Year: 2001 *Producer:* TORLAI FARMS *Reporting Org:* IF *Tax ID:* [redacted] *Employee:* N
State: CALIFORNIA / 06 *Address:* [redacted] *Comp County:* 288 *Phone:* [redacted] *As-Of-Date:* 10/29/02
County: Contra Costa / 13 *Policy Nbr:* 0061278

Policy 0061278 *Total:* *Acres:* 423.60 *Total Guar:* 20,333 *Liability:* 69,336 *Loss Ratio:* 6.31
Acres Indem: 543.00 *Prod Cnt:* 1142 *Indemnity:* 88,367 *Loss Cost Ratio:* 1.27
Premium: 13,999 *ELCR:* 1.07

WHEAT / 0011 *Ins. Plan:* 44 *Fund Codes:* C *Coverage Flags:* A
Crop Year: 2001 *Acres:* 423.60 *Total Guar:* 20,333 *Liability:* 69,336 *Loss Ratio:* 6.31
Acres Indem: 543.00 *Prod Cnt:* 1,142 *Indemnity:* 88,367 *Loss Cost Ratio:* 1.27
Agent ID: 554660977 *Premium:* 13,999 *ELCR:* 1.07

Acreage

Unit	Typ/Prac FSN	Rate Class	Map Area	Acres	Yield	Acre Guar	Guar Red%	Total2 Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Opt Code	WA Typ	WA Nbr
00112	011/002	000		304.20	64.00	48.00	0.000	14602	1.000	0.75	3.4100	0.173	49793	4549	10109	12/29/2000	SUPT		
00112	011/002	000		119.40	64.00	48.00	0.000	5731	1.000	0.75	3.4100	0.173	19543	1751	3890	12/29/2000	BU		

Claims

Unit	Typ/Prac FSN	Rate Class	Acres Indem	Indem Pay	Claim Nbr	Prim Month	Prim COL	Prim %	Sec Month	Sec Col	Product Count	Stage Cd	Adjuster ID	Loss Adj Sign Dt	Notice of Loss Dt	WA Flg	WA Typ	WA Nbr
00112	011/002	000	423.60	68,614	00002678	01	31	100%	00	0	722.00	UH	546641791	n/a	n/a			
00112	011/002	000	119.40	18,753	00021172	04	21	100%	00	0	420.00	UH	552805833	n/a	n/a			

Land IDs

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00112	011/002	018-001N-003E									

		Acres	Acres Indem	Total Guar	Prod Cnt	Liability	Premium	Indemnity	LR	LCR	ELCR
REPORT	*2001 Reins. Yr Total:*	423.60	543.00	20,333	1,142	69,336	13,999	88,367	6.31	1.27	1.07
TOTALS	*Grand Total:*	423.60	543.00	20,333	1,142	69,336	13,999	88,367	6.31	1.27	1.07

ATTACHMENT A (SUPPLEMENTAL)

2001 San Joaquin County - RBT Farms - APH Safflower - 75% Coverage Level

Indemnity: $20,653

Premium Subsidy: $881

A&O: $392

Total Damages: $21,926 (ACTUAL)

Premium Subsidy Calculation (Risk Premium - Producer Premium):

Risk Premium: $1,601

Producer Premium: $720

Premium Subsidy: $881

A&O Calculation (Risk Premium x A&O Percentage Rate):

Risk Premium: $1,601

A&O Expense Reimbursement Rate APH 2001 Safflower: 24.5%

Total A&O = $392

Date: 8/10/2005 FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT Page: 9 of 10

Reins. Year: 2001 Producer: [redacted] Reporting Org: IF Tax ID: [redacted] Employee: N
State: CALIFORNIA / 06 Address: [redacted] Comp County: 289 Phone: [redacted] As-Of-Date: 4/01/03
County: SAN JOAQUIN / 77 Policy Nbr: 0014084

Policy 0014084 Total: Acres: 189.30 Total Guar: 284,003 Liability: 25,773 Loss Ratio: 12.90
Acres Indem: 189.30 Prod Cnt: 56425 Indemnity: 20,653 Loss Cost Ratio: 0.80
Premium: 1,601 ELCR: 0.74

SAFFLOWER / 0080 Ins. Plan: 90 Fund Codes: D Coverage Flags: X
Crop Year: 2001 Acres: 189.30 Total Guar: 284,003 Liability: 25,773 Loss Ratio: 12.90
Acres Indem: 189.30 Prod Cnt: 56,425 Indemnity: 20,653 Loss Cost Ratio: 0.80
Agent ID: 551730227 Premium: 1,601 ELCR: 0.74

Acreage

Unit	Typ/Prac	FSN	Rate Class	NMP Area	Acres	Yield	Acre Guar	Guar Redk	Total Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Opt Code	WA Typ	WA Nbr
00101	997/002		000		189.30	1900.00	1425.00	0.000	284003	0.750	0.75	0.12	0.067	25773	720	1601	04/05/2001	SDPT		

Claims

Unit	Typ/Prac	FSN	Rate Class	Acres Indem	Indem Pay	Claim Nbr	Prim Month	Prim Col	Prim %	Sec Month	Sec Col	Product Count	Stage Cd	Adjuster ID	Loss Adj Sign Dt	Notice of Loss Dt	WA Flg	WA Typ	WA Nbr
00101	997/002		000	34.70	-631	00021777	04	46	100%	00	0	56,425.00	R	564942180	n/a	n/a			
00101	997/002		000	164.60	21,286	00021777	04	44	100%	00	0	0.00	UH	564942180	n/a	n/a			

Land IDs

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00101	997/002	007-0DIN-006B									

	Acres	Acres Indem	Total Guar	Prod Cnt	Liability	Premium	Indemnity	LR	LCR	ELCR
REPORT | 2001 Reins. Yr Totals:	639.10	189.30	349,005	56,425	188,378	14,554	20,653	1.42	0.11	0.03
TOTALS |										

ATTACHMENT A (SUPPLEMENTAL)

TORLAI-005377

2002 Lassen County - Stoney Creek Ranch - CRC Wheat 75% Coverage Level

Attempted - Cost Avoidance - Total Liability on the 836.1 acres originally reported was used as the cost avoidance figure: $124,532

Total Damages: $124,532 (Attempted - Cost Avoidance)

*No claim ever signed original acres reported 836.1 - AIP reduced acreage to 185.2.

Producer Information

Name	Producer	Crop Year	Address	Phone	Empl
TORLAI, GREG	I/546414733/I	2002	[redacted]		N

Selected Policy Information:

Year	Rept Org	Comp Cnty	State	County	Policy Number	Crop	Cov Flag
2001	IF	258	CALIFORNIA /06	Lassen /035	61200	WHEAT / 0011	A
2002	WN	503	CALIFORNIA /06	Lassen /035	500268	WHEAT / 0011	A
2002	RI	570	CALIFORNIA /06	Lassen /035	9061200	WHEAT / 0011	A

2002 Policy Reported Date 10/21/2002 08:31:00

Acreage:

Yields

RO	St CD	Cnty	Crop	Unit	Seq	Type/ Pract	Ins Plan	FSN	Date Planted	Insrd Share	Map Area	Yield	Agent ID	Opt CD	Land ID
WN	06	035	0011	105	001	011/002	44	312	2001-12-13	1.0000		57.00	551720227	BU	032-032N-016E
		County	Crop												

Premiums

St CD	Cnty	Crop	Unit	Seq	Type/ Pract	Ins Plan	Rate Class	Base Rate	Prem Total	Acres	Acre Guar	Guar Red%	Total Guar	Price Elect	Cov Lvl	Liability
06	035	0011	105	001	011/002	44	000	0.252	34344.00	836.10	42.80	0.000	35785.00	3.480	0.75	124532.00
					Crop Subtotal				34344.00	836.10			35785.00			124532.00
					County Total				34344.00	836.10			35785.00			124532.00
					State Total				34344.00	836.10			35785.00			124532.00

Claims: No Claims Data
AGR: No Adjusted Gross Revenue Data
AGR Loss: No AGR Claims Data
Inventory: No Inventory Data
Inventory Claims: No Inventory Claims Data
Summary:

Acres	Total Guar	Liability	Premium	Acres Indem	Prod Cnt	Indemnity
836.10	35785.00	124532.00	34344.00	0.00	0.00	0.00

2001 Policy Reported Date 09/20/2001 07:40:00

Acreage:

Yields

RO	St CD	Cnty	Crop	Unit	Seq	Type/ Pract	Ins Plan	FSN	Date Planted	Insrd Share	Map Area	Yield	Agent ID	Opt CD	Land ID
IF	06	035	0011	105	001	011/002	44		2000-12-01	1.0000		57.00	551720227	BU	032-032N-016E
		County	Crop												

Premiums

ATTACHMENT A (SUPPLEMENTAL)

TORLAI-011150

Date: 8/10/2005 FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT Page: 20 of 31

Reins. Year: 2002 Producer: TORLAI,GREG Reporting Org: NS Tax ID: [redacted] Employee: N
State: CALIFORNIA / 06 Address: [redacted] Comp County: 503 Phone: [redacted] As-Of-Date: 1/19/04
County: Lassen / 35 Policy Nbr: P800260

Policy: P800260 Total: Acres: 185.20 Total Guar: 9,527 Liability: 29,566 Loss Ratio: 0.00
Acres Indem: 0.00 Prod Cnt: 0 Indemnity: 0 Loss Cost Ratio: 0.00
Premium: 7,607 ELCR: -0.28

WHEAT / 0011 Ins. Plan: 14 Fund Codes: A Coverage Flags: A
Crop Year: 2002 Acres: 185.20 Total Guar: 7,927 Liability: 27,566 Loss Ratio: 0.00
Acres Indem: 0.00 Prod Cnt: 0 Indemnity: 0 Loss Cost Ratio: 0.00
Agent ID: 561720229 Premium: 7,607 ELCR: -0.28

Acreage

Unit	Typ/Prac	PSN	Rate Class	Map Acre	Acres	Yield	Acre Guar	Guar Redu	Total Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Opt Code	MA Typ	MA Nbr
00105	011/002	312	080		185.20	57.00	42.80	0.000	7927	1.000	0.75	3.48	0.252	27566	3423	7607	12/13/2001	BU		

Land ID:

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00105	011/002	312	032-012N-016E								

1998 Standard Reinsurance Agreement
(Rev. 7/29/98)

AMENDMENT NO. 1 TO THE 1998 STANDARD REINSURANCE AGREEMENT

The Standard Reinsurance Agreement between the Federal Crop Insurance Corporation and the undersigned Company is hereby amended for the 1999 and subsequent reinsurance years, as follows:

(I) Section III.A.2. is amended to read as follows:

2. A&O subsidy for eligible crop insurance contracts will be determined as set forth below and will be paid to the Company on the monthly summary report after the Company submits, and FCIC accepts, the information needed to accurately establish the premium for such eligible crop insurance contracts. Notwithstanding the provisions of this section, under no circumstances will A&O subsidy be paid in excess of the amount authorized by statute.

   a. For any eligible CAT crop insurance contract, zero percent of net book premium.

   b. For eligible crop insurance contracts that provide coverage under GRP, 22.7 percent of the net book premium attributed to such eligible crop insurance contracts.

   c. For revenue insurance plans that can increase liability whenever the market price at the time of harvest exceeds the market price at the time of planting, 21.1 percent of the net book premium attributed to such eligible crop insurance contracts; and

   d. For revenue insurance plans that can not increase liability whenever the market price at harvest exceeds the market price at the time of planting, 24.5 percent of the net book premium attributed to such eligible crop insurance contracts, not to exceed the amount that would have been paid had each eligible producer purchased limited or additional coverage under an insurance plan that insures loss of individual yield; and

   e. For all other eligible crop insurance contracts, 24.5 percent of the net book premium attributed to such eligible crop insurance contracts.

(II) Section III.B. is amended to read as follows:

B. The Company shall remit to FCIC, in accordance with Manual 13, the following administrative fees collected from eligible producers:

   1. For CAT:

      a. Basic fee: the greater of $50 or 10 percent of the net book premium for each eligible crop insurance contract; and

      b. Additional fee: $10 for each eligible crop insurance contract.

      c. In the event the eligible producer is a limited resource farmer as defined in 7 C.F.R. 400.651, the Company shall submit the required information to FCIC in accordance with Manual 13 and FCIC shall waive the appropriate fee on the monthly summary report.

   2. For limited coverage:

      a. $50 per eligible crop insurance contract, not to exceed $200 per county and $600 for all counties combined for each eligible producer.

b. In the event the eligible producer is a limited resource farmer as defined 7 C.F.R. 400.651, the Company shall submit the required information to FCIC in accordance with Manual 13 and FCIC shall waive the appropriate fee on the monthly summary report.

3. For additional coverage, an additional fee of $20 per eligible crop insurance contract.

(III) Section IV is amended to read in its entirety as follows:

FCIC will pay to the Company an amount equal to 11.0 percent of the total net book premium for eligible CAT crop insurance contracts. The loss adjustment expense specified in this section will be included in the monthly summary report containing the data obtained from acreage reports that have met the processing provisions specified in Manual 13.

(IV) Section V.B.4. is amended to read as follows:

4. Producer premiums and administrative fees collected by the company must be reported as follows:

For CAT crop insurance contracts, all administrative fees must be reported on the monthly summary report following the month containing the termination date.

For all other crop insurance contracts, producer premiums and all administrative fees must be reported on the monthly summary report for the earlier of the month following the date of collection or the month following the month containing the billing date if uncollected.

(V) Section V.B.9. and 10. are added to read as follows:

9. Policyholders who do not pay administrative fees on or before the applicable termination date are ineligible because of indebtedness and the Company shall report such via the Ineligible File Tracking System. Administrative fees payable by such policyholders will offset the total fees reported in accordance with Section V.B.4. Crop insurance contracts shall be reported as terminated for indebtedness effective for the crop year immediately following the termination date used to determine the policyholder's status of eligibility.

10. If the Company terminates the policy due to the non-payment of administrative fees and reports such to FCIC through Ineligible Tracking System, FCIC will perform debt collection activities for administrative fees which are due from indebted policyholders.

The undersigned Company representative acknowledges that the Company's Board of Directors has authorized the Company to enter into this Amendment of the 1998 Standard Reinsurance Agreement.

APPROVED AND ACCEPTED

for

FEDERAL CROP INSURANCE CORPORATION	THE COMPANY
Signature	***Signature***
Name	***Name***
Title	***Title***
Date	***Date***

2005 Lassen County - Stoney Creek Ranch - APH Wheat 75% Coverage Level

Indemnity Cost Avoidance: $58,320

Premium Subsidy: $11,086

A&O: $4,918

Total Damages: $74,324 (Attempted - Cost Avoidance)

Indemnity Cost Avoidance

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)

x 38.3 (per acre guarantee per APH that was in error)

18,606.1 (Revised Unit Guarantee)

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)

x 4.0 (Appraised Bushels per Acre)

1943.2 (Total Production To Count)

18,606.1 (Revised Unit Guarantee)

- 1,943.2 (Production To Count)

16,662.9 (Bushels Short of Unit Guarantee)

x 3.50 (Price Election)

$ 58,320 (Total Indemnity Cost Avoidance)

Premium Subsidy Cost Avoidance

$20,157 (Total Premium)

- $9,071 (Producer Paid Premium)

$11,086 (Total Premium Subsidy Cost Avoidance)

A&O Subsidy Cost Avoidance

$20,157 (Total Premium)

x 24.4% (Expense Reimbursement Rate-2005 R.Y. Coverage Level at 75% or below)

ATTACHMENT A (SUPPLEMENTAL)

$4,918 (Total A&O Subsidy Cost Avoidance)

Total Cost Avoidance – Torlai Lassen County Wheat Policy #15882, 2005 C.Y.

Indemnity Cost Avoidance

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)
x 38.3 (per acre guarantee per APH that was in error)
18,606.1 (Revised Unit Guarantee)

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)
x 4.0 (Appraised Bushels per Acre)
1943.2 (Total Production To Count)

18,606.1 (Revised Unit Guarantee)
- 1,943.2 (Production To Count)
16,662.9 (Bushels Short of Unit Guarantee)
x 3.50 (Price Election)
$ 58,320 (Total Indemnity Cost Avoidance)

Premium Subsidy Cost Avoidance

$20,157 (Total Premium)
- $9,071 (Producer Paid Premium)
$11,086 (Total Premium Subsidy Cost Avoidance)

A&O Subsidy Cost Avoidance

$20,157 (Total Premium)
x 24.4% (Expense Reimbursement Rate-2005 R.Y. Coverage Level at 75% or below)
$4,918 (Total A&O Subsidy Cost Avoidance)

Total Cost Avoidance (Indemnity, A&O Subsidy, Premium Subsidy)

$58,320 (Indemnity Cost Avoidance)
+$11,086 (Premium Subsidy Cost Avoidance)
+ 4,918 (A&O Subsidy Cost Avoidance)
$74,324 (Total Cost Avoidance Amount)

Total Cost Avoidance – Torlai Lassen County Wheat Policy #15882, 2005 C.Y.

Indemnity Cost Avoidance

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)
x 38.3 (per acre guarantee per APH that was in error)
18,606.1 (Revised Unit Guarantee)

485.8 (Reduced Acreage Amount determined by the Loss Adjustment Contractors)
x 4.0 (Appraised Bushels per Acre)
1943.2 (Total Production To Count)

18,606.1 (Revised Unit Guarantee)
- 1,943.2 (Production To Count)
16,662.9 (Bushels Short of Unit Guarantee)
x 3.50 (Price Election)
$ 58,320 (Total Indemnity Cost Avoidance)

Premium Subsidy Cost Avoidance

$20,157 (Total Premium)
- $9,071 (Producer Paid Premium)
$11,086 (Total Premium Subsidy Cost Avoidance)

A&O Subsidy Cost Avoidance

$20,157 (Total Premium)
x 24.4% (Expense Reimbursement Rate-2005 R.Y. Coverage Level at 75% or below)
$4,918 (Total A&O Subsidy Cost Avoidance)

Total Cost Avoidance (Indemnity, A&O Subsidy, Premium Subsidy)

$58,320 (Indemnity Cost Avoidance)
+$11,086 (Premium Subsidy Cost Avoidance)
+ 4,918 (A&O Subsidy Cost Avoidance)
$74,324 (Total Cost Avoidance Amount)

ATTACHMENT N
B 1 of 1

ATTACHMENT C
P2

Date: 8/5/2005

FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT

Reins. Year: 2005
State: CALIFORNIA / 06
County: Lassen / 35

Producer: TORLAI,GREG
Address: [redacted]
0000000000000000000000000000000000000
[redacted]

Reporting Org: GI
Comp County: 101
Policy Nbr: 0015882

Tax ID: 1[redacted]/S
Phone: [redacted]

Employee: N
As-Of-Date: 6/17/05

Policy 0015882 Total:

Acres: 650.00
Acres Indem: 0.00
Total Guar: 24,895
Prod Cnt: 0
Liability: 87,133
Indemnity: 0
Premium: 20,157
Loss Ratio: 0.00
Loss Cost Ratio: 0.00
ELCR: -0.23

WHEAT / 0011
Crop Year: 2005

Ins. Plan: 90
Acres: 650.00
Acres Indem: 0.00
Agent ID: 551720227

Fund Codes: A
Total Guar: 24,895
Prod Cnt: 0
Liability: 87,133
Indemnity: 0
Premium: 20,157

Coverage Flags: A
Loss Ratio: 0.00
Loss Cost Ratio: 0.00
ELCR: -0.23

Acreage

Unit	Typ/Prac	PSN	Rate Class	Map Area	Acres	Yield	Acre Guar	Guar Red%	Total Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Opt Code	MA Typ	MA Nbr
00100	011/002		000		650.00	51.00	38.30	0.000	24895	1.000	0.75	3.50	0.257	87133	9071	20157	10/05/2004	BU		

Land ID

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00100	011/002	032-032N-016E									

		Acres	Acres Indem	Total Guar	Prod Cnt	Liability	Premium	Indemnity	LR	LCR	ELCR
REPORT	2005 Reins. Yr Total:	650.00	0.00	24,895	0	87,133	20,157	0	0.00	0.00	-0.23
TOTALS	Grand Total:	650.00	0.00	24,895	0	87,133	20,157	0	0.00	0.00	-0.23

Date: 8/5/2005 **FEDERAL CROP INSURANCE CORPORATION POLICYHOLDER INFORMATION REPORT** Page: 1 of 1

Reins. Year: 2005 Producer: TORLAI,GREG Reporting Org: GI Tax ID: [redacted] Employee: N
State: CALIFORNIA / 06 Address: [redacted] Comp County: 101 Phone: [redacted] As-Of-Date: 6/17/05
County: Lassen / 35 0000000000000000000000000000000000 Policy Nbr: 0015882
[redacted]

Policy 0015882 Total: Acres: 650.00 Total Guar: 24,895 Liability: 87,133 Loss Ratio: 0.00
Acres Indem: 0.00 Prod Cnt: 0 Indemnity: 0 Loss Cost Ratio: 0.00
Premium: 20,157 ELCR: -0.23

WHEAT / 0012 Ins. Plan: 90 Fund Codes: A Coverage Flags: A
Crop Year: 2005 Acres: 650.00 Total Guar: 24,895 Liability: 87,133 Loss Ratio: 0.00
Acres Indem: 0.00 Prod Cnt: 0 Indemnity: 0 Loss Cost Ratio: 0.00
Agent ID: 551720227 Premium: 20,157 ELCR: -0.23

Acreage

Unit	Typ/Prac	FSN	Rate Class	Map Area	Acres	Yield	Acre Guar	Guar Rate%	Total Guar	Insrd Share	Cov Lvl	Price Elect	Base Rate	Liability	Prod Prem	Total Prem	Date Planted	Cpt Code	NA Typ	NA Nbr
00100	011/002		000		650.00	52.00	38.28	0.000	24895	1.000	0.75	3.50	0.257	87133	5071	20157	10/05/2004	BU		

Land ID#

Unit	Typ/Prac	Land ID 1	Land ID 2	Land ID 3	Land ID 4	Land ID 5	Land ID 6	Land ID 7	Land ID 8	Land ID 9	Shareholder
00100	011/002	032-032N-016E									

	Acres	Acres Indem	Total Guar	Prod Cnt	Liability	Premium	Indemnity	LR	LCR	ELCR
REPORT | 2005 Reins. Yr Total:	650.00	0.00	24,895	0	87,133	20,157	0	0.00	0.00	-0.23
TOTALS | Grand Total:	650.00	0.00	24,895	0	87,133	20,157	0	0.00	0.00	-0.23

ATTACHMENT A (SUPPLEMENTAL)
TORLAI-003118

PRODUCTION WORKSHEET

1. CROP/CODE #	2. UNIT #	3. LEGAL DESCRIPTION
Wheat 011	01W	Sec 35 32N 16E
4. DATE OF DAMAGE	10-17-04	4-25-05
5. CAUSE OF DAMAGE	rain + snow	
6. PRIMARY CAUSE %	rain	
12. ADDITIONAL UNITS		
13. EST. PROD. PER ACRE		

7. Company Greenwich Ins. Co
Agency Brooke Agency

8. Name of Insured Greg Turlai
9. Claim # ~~17444~~ 17411
10. Policy # 06-101-15552
11. Crop Year 2005

14. DATE(S) NOTICE OF LOSS	1ST 5-5-05	2ND	FINAL
15. COMPANION POLICY(S)			

SECTION I - ACREAGE APPRAISED, PRODUCTION AND ADJUSTMENTS

A Field ID	B Prelim Acres	C Final Acres	D Interest or Share	E Risk	F Practice	G Type Class Variety	H Stage	I Intended or Final Use	J Appraised Potential	K1 K2 Moisture % / Factor	L Shell and/or Quality Factor	M + Uninsured Cause	N Adjusted Potential	O Total to Count (C x N)	P Per Acre	Q Total (C x P)
		~~455.8~~ 1.500	1.000		Irr.		Vt1	Destroy	4.0				4.0	1943.2	38.3	18606.1
16. TOTAL		455.8												1943.2	17. TOTALS	18606.1

NARRATIVE (If more space is needed, attach a Special Report) Will not harvest. Insured has a .334 interest share on FSA 578 but has a 1.000 interest share on Loss Summary of Coverage 578 indicates. This wheat was intended for Forage and should not be insured.

SECTION II - HARVESTED PRODUCTION

18. Date Harvest Completed

19. Is damage similar to other farms in the area? YES ☐ NO ☐

20. Assignment of Indemnity? YES ☐ NO ☑

21. Transfer of Right to Indemnity? YES ☐ NO ☑

A1 A2 Share / Field ID	B Length or Diameter	C Width	D Depth	E Deduction	F Net Cubic Feet	G Conversion Factor	H Gross Prod. (FxG)	I Bu. Ton Lbs. Cwt.	J Shell/ Sugar Factor	K1 K2 FM % / Factor	L1 L2 Moisture % / Factor	M1 M2 Test WT / Factor	N Adjusted Production (H or I)xJxKxLxMx	O Prod. Not to Count	P Production (N - O)	Q1 Q2 Value / MKT Price	R Quality Factor	S Production to Count (P x R)
[redacted]																		

provided above, to the best of my knowledge, to be true and complete and that it will be used to determine my loss, if any, to my insured crops. I understand rksheet and supporting papers are subject to audit and approval by the company. I understand that this crop insurance is subsidized and reinsured by the Corporation, an agency of the United States. I understand that any false or inaccurate information may result in the sanctions outlined in my policy and d criminal sanctions under 18 U.S.C. §§ 1006 and 1014, 7 U.S.C. § 1506, 31 U.S.C.§§ 3729 and 3730 and other federal statutes.

22. SECTION II TOTAL
23. SECTION I TOTAL 1943.2
24. UNIT TOTAL 1943.2

25. Adjuster's Signature	Code #	Date	26. Insured's Signature	Date
1st Inspection Gregory Mayer		6-7-05	1st Inspection	6-7-05
2nd Inspection			2nd Inspection	
Final Inspection Gregory Mayer		8-2-05	Final Inspection	8-2-05

27. Page ____ of ____

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HEARTLAND CROP INSURANCE, INC
PO BOX 330
TOPEKA, KS 66601-0330

APPROVED Consolidated Insurance Production Report

GREENWICH INS CO

Policy No 00-101-15002

Effective Crop Year: 2005
Date: 04/18/05

Insured's Name and Address	Agency (Agent) Name and Address
GREG TORLAI	BROOKE AGENCY SERVICES CO LLC
[redacted]	PO BOX 98008
	2151 RIVER PLAZA DR
	W SACRAMENTO, CA 95798
Insured's Phone No. [redacted]	Agent Phone No: 209-330-1108 Fax: 209-330-1879
SSN/EIN/Other: Entity Type: Spousal (SSN)	Agent Code No: 1436 Agent Sub-Code 00
Insured's Authorized Rep: TONI THOMASSON	State: 06 California
Loss Payable to me and:	County: 035 LASSEN

ATTACHMENT A (SUPPLEMENTAL)

Unit No.	FSA FSN	Plan	Crop Kind	Practice	Type/Class Variety	Location Sec	Twp	Rng	Place	Adj APH	Guarantee Per Acre	Total Guarantee	% Int.	Exp/ PRF	Amount of Ins.	Premium	Plant Date	Acres	Total Production	Record Type
0100		APH	WHEAT	1	W	032	032N	016E		51.0	38.30	24895.0	1.000	1.00	$ 87,133	9,071	10/05/2004	650.00		
									Rate Yield	51.00	Other Person Share									

Total Amount Ins: 87,133

Total Premium:	20,157
Subsidy Amount:	11,086
Insured Premium:	9,071
Admin Fee:	30
Total:	9,101

*RECORD TYPE: A - Production Sold / Commercial Storage B - Livestock Feeding Records C - Appraisals
D - On Farm Storage, Recorded Bin Measurement E - FSA Loan Record F - Other

Acreage Report Was Signed On: 03/15/2005

CROPS COVERED UNDER THIS CONTRACT ARE:

Crop	Plan	Type Class, etc.	Level	Price	Option	RA Harvest	Final Plant Date	Acreage Reporting Date	Billing Date	Insured Acres
WHEAT	APH	W	75 %	3.5000	YA	N	10/31/2004	06/30/2005	07/01/2005	650.00

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported of failure to provide certain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurally may result in voidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1001, 1006, 1014; 31 U.S.C. 3729, 3730).

G TORLAI Date

If we discover facts that would alter your insurance, the Company may elect to change your coverage as the policy allows.

Form HCI SP-2002

(See Reverse Side of Form for Statement Required by Privacy Act of 1974)

ATTACHMENT A (SUPPLEMENTAL)
TORLAI-002590

HEARTLAND CROP INSURANCE, INC.
PO BOX 330
TOPEKA, KS 66601-0330

APPROVED Schedule Of Insurance / Production Report

GREENWICH INS CO

Policy No: 08-101-15862
Effective Crop Year: 2005
Date: 04/14/05

Insured's Name and Address	Agency (Agent) Name and Address
GREG TORLAI	BROOKE AGENCY SERVICES CO LLC
[redacted]	PO BOX 98005
	2151 RIVER PLAZA DR
	W SACRAMENTO, CA 95798
Insured's Phone No: [redacted]	Agent Phone No: 209-330-1108 Fax: 209-330-1879
SSN/EIN/Other: [redacted] Entity Type: Spouse (SSN)	Agent Code No: 1436 Agent Sub-Code 00
Insured's Authorized Rep: TONI THOMASSON	State: 06 California
Loss Payable to me and:	County: 035 LASSEN

Unit No.	FSA FSN	Plan	Crop Kind	Prac Sce	Type/Class Variety	Location Sec	Twp	Rng	Place	Adj APH	Guarantee Per Acre	Total Guarantee	% int.	Exp/ PRF	Amount of Ins.	Premium	Plant Date	Acres	Total Production	Record * Type
0100		APH	WHEAT	I	W	032	032N	016E		51.0	38.30	24895.0	1.000	1.00	$ 87,133	9,071	10/05/2004	650.00		
									Rate Yield:	51.00	Other Person Share:									

Total Amount Ins: 87,133

Total Premium:	20,157
Subsidy Amount:	11,086
Insured Premium:	9,071
Admin Fee:	30
Total:	9,101

*RECORD TYPE: A - Production Sold / Commercial Storage B - Livestock Feeding Records C - Appraisals
D - On Farm Storage, Recorded Bin Measurement E - FSA Loan Record F - Other

Acreage Report Was Signed On: 03/15/2005

CROPS COVERED UNDER THIS CONTRACT ARE:

Crop	Plan	Type Class, etc.	Level	Price	Option	RA Header	Final Plant Date	Acreage Report Due Date	Billing Date	Insured Acres
WHEAT	APH	W	75 %	3.5000	YA	N	10/31/2004	08/30/2005	07/01/2005	650.00

I certify that the information I have furnished as reflected on this form is complete and accurate for the commodity(ies), unit(s) and year(s) shown. I understand this form may be reviewed or audited and that information inaccurately reported of failure to provide certain records to support information on this form, may result in a recomputation of the approved APH yield. I also understand that failure to report completely and accurately may result in voidance of my crop insurance contract and may result in criminal or civil false claims penalties (18 U.S.C. 1001, 1006, 1014; 31 U.S.C. 3729, 3730).

GREG TORLAI Date

If we discover facts that would alter your insurance, the Company may elect to change your coverage as the policy allows.

Form HCI SP-2002

(See Reverse Side of Form for Statement Required by Privacy Act of 1974)

FINAL with technical corrections incorporated

STANDARD REINSURANCE AGREEMENT

between the

FEDERAL CROP INSURANCE CORPORATION

and the

(Insurance Company Name) (Hereafter "Company")

(City and State)

This Agreement establishes the terms and conditions under which the Federal Crop Insurance Corporation (FCIC), supervised by the Risk Management Agency (RMA) as authorized in section 226A of the Federal Agriculture Improvement and Reform Act of 1996, will provide subsidy and reinsurance on eligible crop insurance contracts sold by the Company. This Agreement is authorized by the Act and regulations of FCIC published at 7 C.F.R. chapter IV (regulations).

This is a cooperative financial assistance agreement between FCIC and the Company to deliver eligible crop insurance contracts under the authority of the Act. For the purposes of this Agreement, use of the plural form of a word includes the singular and use of the singular form of a word includes the plural unless the context indicates otherwise. The Table of Contents and headings in this Agreement are descriptive only and have no legal effect on FCIC or the Company.

This Agreement becomes effective upon its execution and the approval of the Company's Plan of Operations by FCIC for the applicable reinsurance year.

ATTACHMENT A (SUPPLEMENTAL)

FINAL with technical corrections incorporated

ii. For additional coverage eligible crop insurance contracts that provide coverage under a Group Risk Plan, or similar type of insurance plan:

I. For the 2005 reinsurance year 22.6 percent, and for the 2006 and subsequent reinsurance years 22.4 percent, of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 75 percent or below;

II. For the 2005 reinsurance year 21.4 percent, and for the 2006 and subsequent reinsurance years 20.1 percent, of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 80 percent; and

III. For the 2005 reinsurance year 21.1 percent, and for the 2006 and subsequent reinsurance years 19.4 percent, of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 85 percent or higher.

iii. For additional coverage eligible crop insurance contracts that provide coverage under a revenue plan of insurance that can increase liability whenever the market price at the time of harvest exceeds the market price at the time of planting:

I. For the 2005 reinsurance year 21.0 percent, and for the 2006 and subsequent reinsurance years 20.8 percent, of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 75 percent or below; and

II. For the 2005 reinsurance year 19.9 percent, and for the 2006 and subsequent reinsurance years 18.7 percent, of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 80 percent; and

III. For the 2005 reinsurance year 19.6, and for the 2006 and subsequent reinsurance years 18.1 percent, percent of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 85 percent or higher.

iv. For all other eligible crop insurance contracts:

I. For the 2005 reinsurance year 24.4, and for the 2006 and subsequent reinsurance years 24.2 percent, percent of the net book premium attributed to such eligible crop insurance contracts with coverage levels at 75 percent or below;

Dear Judge Mendez
2:08-CR-329

I am truly sorry for what is seen by you as a lack of remorse. Nothing could be farther from the truth. My Entire world is now consumed by my Feeling that my actions have caused so much pain a suffering to those who I love most and to those who's very lives and livelihood are dependent my farm operations. Remorse - regret - humiliation and just sick over ever becoming involved in this criminal case. I sincerley apologize to your ~~hon~~ honor and those involved in this case. I have always been a man of few words by nature. I dont believe I am well spoken & and I am intimidated by formal settings like Court. Normally, I simply remain Quiet when I am not sure what to say or to whom I should speak to. I have never been one to beg for or expect anyone to give me any special treatment just by asking for it, I prefer to earn it. I think my hesitation in asking for help and forgiveness from you that I haven't earned has caused you to believe that I do not feel remorse for the situation I am in. I assure you that this is not the case. I have worked since I was a child for everything that I have

ever had and feel uncomfortable asking anyone for anything.

I also think you should know that if I appeared to you in court to be stone faced it was my way of protecting my family by Attempting to be strong for my wife and children.

I feel so humiliated by my conduct and behavior, I should have looked beyond, instead of blaming others who profited by purchasing crop insurance. I must accept responsibility for not reading what I signed and the consequences that come from my errors in judgement.

I have agreed to a settlement designed to provide full restitution in this case, I have made plans to ~~pay the full amount~~ of $400,000 to resolve the civil false claims and the criminal restitution plus interest at 5% over the next two years. It is my understanding that paying this amount includes the required Restitution. My effort to pay this money is to ~~demonstrate~~ demonstrate to my dear wife, children, friends and all watching this case that I have taken responsibility, and I am trying to make it right.

I am not so proud or foolish enough not to take this opportunity to beg forgiveness. I live in fear that a long jail sentence will cause irreparable damage to all those that depend on me. My ability to make financial restitution for my mistakes depends on my Ability to work.

I respectably beg your honor not to remand me immediately upon sentencing. Please allow me to wait out my processing at home, I will use this time wisely to make final, date sensitive business plans. More importantly however this gift of time will provide me a final chance to spend time mainly with my children, wife, and my father. I believe my to college age children Emmelia and Gino are staying home this summer only to spend all the time possible with me, as both of them wanted to complete classes in summer school. My daughter Gialiana is preparing to begin her senoir year in high school and her usual natural lightheadedness has been replaced with a deep constant fear of the Unknown, I will use any extra time at Home to comfort her fears.

My wife will draw her Strength solely from ~~from~~ knowing that our children have been comforted and prepared by me, she can handle anything if the kids are okay.

My father, having recently lost my mom just needs all the companship I can give him.

I have never been in any trouble before and will never be in trouble again, with God as my witness I feel Unbearable pain and remorse for my mistake I Cannot fully describe my remorse for my behavior when I read and re-read constantly the letters my children wrote to you for me, It breaks my heart knowing that I let them down.

Thank you for reading This

[signature]